

Ms. Rabb's January 28, 2011 letter wrongfully denies Liberty Mutual's duty to defend because it was her position that that Gilbane was not involved in the facts giving rise to the underlying loss. However, as we noted, the plaintiff in the referenced tort litigation takes a different factual position and has pleaded that, among others, Gilbane's negligence caused his injuries and losses. Consequently, Liberty clearly has a duty to defend DASNY and CUNY and CUCF. The defense obligation is controlled by the four corners of the complaint. Accordingly, Valiant hereby demands that Liberty Mutual agree to share in the costs of the defense of DASNY, CUNY and CUCF on a *pro rata* basis, and reimburse Valiant for defense costs incurred from the date of Liberty Mutual's wrongful denial of defense in its January 28, 2011 letter, again on a *pro rata* basis.

I look forward to receiving your prompt response.

Very truly yours,

A handwritten signature in blue ink, reading "Michael B. Buckley". The signature is written in a cursive, flowing style.

Michael B. Buckley